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Samuel Snow, Tanner and Cordwainer

The village shoemaker has become merely a tradition. His little shop, if it remains standing, has been put to other uses, and his cobbler's bench, or a reasonable facsimile thereof, has found its way into present-day living-rooms in the guise of a coffee table or smoking stand. Of the product of his skill, little remains because, unlike the cabinet maker and metal worker, he worked in goods that served their purpose and were gone, but he was as true a craftsman as they, and perhaps a more important figure in the life of a town. From him young and old obtained their footwear, and to him they brought it back to be mended. Farm horses and saddle horses wore the harnesses he made; ploughs and carriages alike depended on the strength and stitching of his traces. And, in return, he got from his fellow townsmen sometimes cash but more frequently the necessities of his family's existence. In his ledger, debits and credits reflected the whole business of give-and-take in the life of the community.

In North Berwick, Maine, Samuel Snow carried on such an enterprise in the last century. The records he kept have been preserved and were recently given to the Business Historical Society by his granddaughter, Miss Louise S. Earle, who has also recalled for us some of the events of her grandfather's life.

Samuel Snow was born in 1801, the son of Francis Snow, who was a shoemaker—a cordwainer, they called him then—in Doughty's Falls, Maine. Thirty years later, that village was set off from the township of Berwick to become a town itself, North Berwick. This was the only reason Samuel Snow's address ever changed. He learned his father's trade of tanning hides and making boots and shoes and all the other goods which a community could use in leather. On the post road to Sanford stood his father's house, and later on the same lot, his own. Close by ran a small stream, the Newitchewannock, also known as little Works River, which just below the town joined the Salmon Falls River on its way be-

tween Maine and New Hampshire to the bay at Portsmouth. On the bank of the Newitchewannock lay the Snow tan pits, not covered by any building, although near them must have stood a workshop for finishing and storage. A quarter of a mile away, perhaps, was the small shoemaker's shop. In these two places a useful, rewarding business grew.

Samuel was not a large man, but sturdy. And well that he was, for while shoemaking may have been a sedentary occupation with no great demand for muscle, tanning certainly was not, in those days of few mechanical aids. Handling oxhides heavy from soaking in the pit was not a weakling's job. Red hair and keen blue eyes hinted at an active temperament. His rather stocky frame bespoke a lasting vigor, which at seventy-five was to send him out, undaunted by his son's challenge, to put on skates and go up the river with the swiftest.

Samuel seems to have established himself by the time he was eighteen years old. Tucked between the pages of his ledger was a note dated in Berwick, April 8, 1819, and addressed to William Young, as follows:

Sir the Barrier Samuel Snow wants a little of your leather to pay you part down and get a little credit for about \$10. which I think there will be no danger of trusting he Bares a good carrecter and a dilligent young man.

It is signed by Noah Pike, and both these men appear frequently in Samuel's later accounts as dealing in leather.

Samuel's daybooks start with June 3, 1822, and his ledger was opened with the same entry, although a thin sheaf of journal paper, sewed together after the entries were made, goes back to November 7, 1821. The first daybook is also sewed together by hand, but its pages are numbered and the three bound volumes which follow are paged continuously. So it would appear that in June, 1822, Samuel Snow set up his formal accounts, and page number 1 started a record of transactions which ended on September 10, 1858, on page 511. The books are a simple, single-entry record of how matters stood between Samuel Snow and his customers or neighbors. They contain no capital accounts and no indication of the state of his business at any time, but from them we can build up a picture of his work because the daybook entries show what items the debits and credits are for. Almost always the amount involved is written first in shillings, at the New England

rate of six to a dollar, and then given as dollars and cents in the ruled column. The shillings are shown as a digit to the left of a slanted line followed by pence, if any, at the right. One shilling and sixpence, $1/6$, turns up in the column as 25 cents. The first ledger accounts are set up with "Dr" at the left and "Contra" at the right where one would expect to find "Credit," but it is soon contracted to the usual "Cr."

The ledger accounts are not complete after 1850, and year after year from 1851 on, the number of pages covered in the day-book grows smaller. Samuel appears to have been retiring gradually and probably was turning over responsibility to his son Charles. We know from letters that he was doing business as a tanner all through the 1850's with a Boston leather firm, but this is not shown in the account books.

Samuel's two brothers apparently learned their father's trade also. Henry, the older brother, appears with Samuel on a mortgage given in April, 1822, as security for notes for \$118, and they are referred to as cordwainers. Perhaps the two young men were getting some liquid working capital. Henry's debits in Samuel's daybook are of a business nature, modest sums due Samuel for making and mending boots or shoes and for calfskins. Hiram, the younger brother, began work with Samuel on February 13, 1822, according to an entry in the first little book. The business arrangement between them does not appear from the accounts, but Samuel charged him for frequent "figs" of tobacco at about 4 cents a fig, and an occasional pint of rum at 13 cents, although Samuel himself was an outspoken teetotaler. These brothers, however, seem to have gone an independent way in a short time, and Samuel carried on his trade alone until his eldest son joined him in it.

Samuel began tanning and currying leather early in his career, but much of his shoemaker's skill was expended on leather which was the property of his customers. Some of it, to be sure, he probably tanned for them, but some of it they had prepared in their own tan pits from the hides of their own cattle. Snow's tan pits on the river had the advantage of a good supply of soft water. In spite of their exposed location, he appears to have used them in the winter. Here he put down, in his solution of oak or hemlock bark, hides which he had purchased outright—chiefly calfskins but some cowhide and an occasional horsehide or kidskin. Hogskins are mentioned very infrequently. Here, also, he prepared

hides for other people, marking them with the owner's initials, and charging \$2.50 or taking half the skin for his services. It seems likely that many of these marked hides were left in Snow's custody to be used as the owner ordered footwear for his family.

Cordwainers in their shops were only one step removed from the earlier itinerant shoemakers who went from farm to farm on yearly trips to make shoes for the whole household, usually from the farmer's home-tanned leather. So in Snow's accounts there are many debit entries for his work without reckoning for material. In 1826, for example, there are charges for "making" boots at \$1.00 to \$1.75 and for "making" shoes at 34 and 50 cents; whereas at the same time charges "to pr of boots" are \$3.50 or \$4.00 and for a pair of shoes anywhere from \$1.00 to \$1.75. These latter items would mean that Snow supplied the leather and charged accordingly. Occasionally an intermediate price for "shoes found part" or "boots found solether" indicates that the customer had his own leather suitable, in the latter case, for the uppers and that Snow supplied the heavier sole leather from his stock. (As a telescoping of words, "solether" would do credit to *Time* magazine!)

A letter written from Sanford, Maine, by H. O. Allen on August 9, 1834, has survived to show us an actual order for shoes to be made from a customer's leather:

Mr. Snow

I send you a Sheep Skin & Sole Leather sufficient for three pairs of Shoes viz. one pair of Men's strapped Slippers with Heels, No. 6 for myself, one pair Ladies do No. 3 for my Wife, one pair for my Boy, one size smaller than those you made him (long quartered). I send you the measures of the length of the feet, except my Boys which will be a little shorter than the pair you made him. I also send a Goat Skin, as I understand there is a morocco dresser at Dou[ghty's] Falls, please have it dressed in the best style, as I shall want you to make me a pair of Boots out of it. . . .

Instructions were given to send the finished footwear by stage with the bill. The daybook of that time shows that in July Snow had made for Horace Allen of Sanford a pair of "small shoes," the Boy's no doubt, which cost 67 cents (4/), and this price must have included material. On September 5, Allen was debited for the quoted order: making a pair of "pumps" for himself, 67 cents (4/); a pair of the same for his wife, 50 cents (3/); a pair of small shoes, 34 cents (2/); linen and binding, 8 cents (/6). The fate of the goatskin is not revealed, for there are no further entries under Horace Allen's name.

Prices did not change radically over the period of Snow's records. There must have been distinct differences in types and in the leather to account for the range of prices which is evident at any given time. Boots were more costly, perhaps, in the early 1820's than they were later. Charges at \$4.00, \$5.00, and \$6.50 appear in 1821 and 1823, while from 1840 on, the commonest charge for men's boots was \$3.00 although items at \$3.50, \$3.75, and \$4.00 also occur. At any time the price of boys' boots might range from \$1.25 to over \$2.00. The commonest price for women's shoes is \$1.25 over the whole period; boys' and girls' shoes were frequently sold at a dollar, and men's shoes ran from \$1.35 to \$1.75.

What these amounts for Snow's wares represented in the necessities of life would be an interesting light on the subject, but we can see only a glimmer. Prices for food are not given consistently enough in the records to allow any sound comparisons, but incidental entries show some values of housewifely concern. In 1834 and 1835, for example, there is an entry at \$6.25 for a barrel of flour. At the same time, butter was 13 cents a pound and eggs 10 cents a dozen. Meat was not exorbitant: a pound of veal cost 3 or 4 cents; beef, 5 cents; and lamb, 5 or 6 cents. Pork does not appear during these years, but two entries at other times show it at 10 and 13 cents when there was no corresponding rise in other kinds of meat. Chicken at this time cost 6 cents a pound and goose 4 or 5. A pound of halibut was worth about 3 cents. As for staples not locally produced, sugar was 13 cents a pound and molasses 37 or 38 cents a gallon. Coffee appears at 12 and 15 cents a pound. Tea is entered at 34, 37 and 38 cents a pound, but even 38 cents is lower than prices at other times, or perhaps the grade of tea was cheaper. We cannot trace a movement of the values of foodstuffs. A few cents more here go hand in hand with a cent or two less elsewhere. Perhaps North Berwick was fortunate enough to keep an even keel in the sea of supply and demand.

Snow had no monopoly in the leather goods trade. Probably there were other shoemakers in the district and certainly other tanners. Hides and leather moved in both directions between Snow and these other men. Apparently necessity for a particular kind at any time would call for an exchange. Upper leather would be sold, perhaps, and "solether" be recorded as received. Snow also sold leather for boots or shoes to people who apparently were going

to make their own. And frequently he sold shoe pegs at 10 cents a quart.

There is no way of knowing now just what the shoes of Samuel Snow looked like, but they must have conformed to the pattern of the times, and their resemblance to a modern shoe would be slight. If you have looked at pictures of people drawn in the 1840's and '50's, perhaps you have thought that a touch of elegant inaccuracy on the artist's part produced the long, tapering lines of the gentlemen's feet. (The ladies' feet are too often concealed to offer much evidence.) The artist was right, however, and his delineation of a child's stubby-toed boot with both edges of the sole straight is correct also. Both shoes of a pair were made exactly alike. There was no concession to nature in the matter of rights and lefts until about the middle of the century, and even then, low shoes made on "straight" lasts were common until about 1880. Shoes now in the possession of the United Shoe Machinery Company¹ which were made in the 1850's show that even when some compromise was made with the shape of the human instep, the edges of the sole from the ball forward were kept straight and parallel until they sloped off slightly to a squarish toe.

A laced boot, or high shoe, which would reach just above the ankle seems to have been a standard girl's style. Frequently the uppers were made wholly or partially from cloth and sewed to a turned leather sole with no heel at all. These shoes sometimes show a shorter line on the inner edge of the sole, with a sharper curve behind the ball of the foot so that the two members of a pair would not be interchangeable. But some of the low shoes of the time and the boys' boots present no distinction whatever. In fact, it was considered thrifty to set one's shoes at night so that they would harbor opposite feet from day to day and thus would wear evenly and last longer. Soles were very narrow at the instep. Heels, when there were any, were low, perhaps consisting of one or two lifts of leather, or perhaps half or three-quarters of an inch high.

If we assume that Samuel Snow's products were similar to

¹The United Shoe Machinery Company has at its Boston offices a large collection of shoes from many times and places, including groups of various styles from various periods in the United States. The premium on floor space during the war has removed the greater part of them from public view at present.

these examples of his time, we can see the sort of job he did. There is no evidence that he made any uppers of cloth, but he probably followed the style of ankle-height shoes laced at the side or in front. Uppers of rather heavy leather for country wear were often made in three pieces with a seam at the back and one on each side. They opened part-way down the front and laced through small holes without eyelets. There would have been no machinery in his shop. He must have sewed upper and sole together by hand, pushing his thread with waxed ends through holes made by his awl. The stouter shoes, even for girls and women, he fastened with tiny wooden pegs, often in two rows, set very close and accurately spaced, tapping the pegs in from the outer



Reproduced through the courtesy of
the United Shoe Machinery Company

A woman's shoe, probably made in Lynn about 1840, illustrating
a shape characteristic of the time.

side of the sole as the shoe was stretched over its last. At the toe end he might substitute nails for pegs to bear the brunt of heavy wear. An inner sole of light leather cushioned the tips of the pegs and nails to the wearer's foot, and cloth, sometimes linen, might line the upper, but often heavy boots were not lined. His shoe pegs were made by hand, but whether he pressed members of his family into service as whittlers, as was frequently done, or whether he bought his supply, we cannot tell. Snow, as we have seen, also made slippers or pumps, occasionally with buckles

specified, and often referred to as "cid" slippers, for if c-a-l-f spelled "kalf," why shouldn't c-i-d spell "kid?"

Samuel Snow's shop was not on the half-acre of land by the river where his house and tan pits were. He leased, perhaps in locations more advantageous for catching trade, at one time a shop at \$20 annual rental and later land at \$6.00 a year on which he apparently had built his own shop. And one lease stipulates that the premises are "to be used for the purpose of doing and prosecuting the business of a saddler, harness maker & Cordwainer." Footwear, then, was not his only care, although the orders for harness are much less frequent.

For making a harness he charged \$4.00 or \$6.00, and for a harness when he supplied the leather he charged \$14, \$16, or \$18. Harness leather was more expensive than any other kind. He paid 26 cents a pound for it when sole leather was 22 cents. Reins, long or bridle, were \$1.25; a "headstall" was \$2.00; and thorough-braces were \$4.00 a pair. Saddles he sold for about \$10. He made leather-covered trunks, too, for \$2.00 or \$2.50. Odd jobs appear in his books: stuffing a saddle or collar, for instance, quite probably with hair from the hides he tanned; a scabbard for a bayonet; straps for a horse blanket. Occasionally he entered a charge of 25 or 50 cents for stringing bells. This must have meant the cheery job of punching holes in a long strap to set the shanks of sleigh bells through and fastening them with cotter pins in back as they jingled under his fingers. This would not have been the only music to come from his shop, however, for tradition says that he was a great lover of hymns and often sang them as he worked.

Snow aided the thrifty by doing a good deal of repairing on both footwear and harness. The Portland Stage Company and the Dover and Alfred Stage Company seem to have suffered from frequent broken straps. Some of the repairs to boots have the sound of major operations: bottoming boots cost \$1.25 and footing as much as \$2.50. Tapping, capping, and "healing," in combination, brought anywhere from 25 to 75 cents, probably depending on the amount of leather used, and unspecified "mending" of boots and shoes might be as low as eight cents.

Against charges for all this work, the credits in Snow's ledger accounts represent the goods or services he received rather more often than cash. The bulk of his household accounts are not here;

neither are full accounts of supplies and materials bought or of leather sold, but we find frequent items for foodstuffs and thread, nails or tan bark (the kind is never specified). Here is chiefly the daily give-and-take which amounted almost to barter, but with a money basis.

Accounts ran for three or four years or longer without settlement, but this was rarely a hardship to either party because the indebtedness was so often nearly even, and usually the total amounts were less than \$50. Frequently when no credit items are listed by Snow, there will eventually be an entry "By his Account" to show that the debtor was also a creditor after all. Sometimes the statement "By his account to Ballance" introduces as a credit the exact amount due to Snow, and since it seems unlikely that services mutually rendered should come out equal to the exact penny, there must have been a tendency to "call it square." One meticulous method of finding out how matters stood involved a signed agreement on the ledger page as to the state of the account. For instance, Snow's account against his father-in-law, Philip Hall, stood at \$6.44 and Hall's account against Snow was \$7.04 when, on November 23, 1835, they both signed this statement: "This day settled all accounts between the subscribers & found due said Hall one dollar & forty-seven cents." The amounts thus found due were not always paid at once, but were sometime carried over on the appropriate side of the ledger, and business proceeded as usual.

This swapping of indebtedness is shown in essence in a note among Snow's papers, without date and signed by H. S., perhaps a relative. It requests Samuel to get a "cassymere shole" as soon as he conveniently can, and H. S. says, "... what you dont owe to me. I will pay to you." This transaction, of course, rather forced Snow's hand, because if the purchase took place on a trip to town somewhere, Samuel probably had to find cash for the whole cost of the shawl.

In some localities, notably in Massachusetts, the shoe trade was rapidly becoming an industry.² Shoes made to order were being supplanted by "sale" shoes made up in small shops and in larger establishments for wholesale firms or dealers who shipped them out of the community. Most of Snow's shoes must have been

²See *The Organization of the Boot and Shoe Industry in Massachusetts before 1875*, by Blanche Evans Hazard (Cambridge, 1921).

made to order. An entry for one pair of boots and six pairs of shoes probably meant only that a family was getting shod all at once. But there are occasional larger sales—13 pairs of shoes to William Gooch, for instance—which perhaps meant that Snow was selling to a peddler or retailer. This indication is borne out by a letter in 1831 from Sheck & Emery, of Sanford, ordering a dozen pairs of "morocco walkg shoes at the same rate we had the last," the numbers to be not less than 6. This is plainly a sale by size to retailer or dealer, and a step in bridging the gap between the itinerant cobbler of an earlier day and the shoe factory to come. It must have been several years later, however, that Charles E. Snow, Samuel's son, set up his retail store in North Berwick to supplement his own shoemaking and repairing by selling ready-made his father's shoes and, doubtless, the products of the rising factories.

In 1848 and the following years the accounts show a falling-off in shoemaking to order for the townspeople. There are two probable reasons: one, that Samuel Snow was putting more and more of his product into his son's store to be sold over the counter; and the other, that his work was being crowded by shoes made in the larger centers where specialization of jobs and some mechanization of process were beginning to speed up production. We have clear evidence that some of Samuel's work went into the store. A small book of jottings shows us "a bill of Boots and Shoes put in shop Nov. 12, 1845," for \$200.69, and on January 4, 1847, Charles was debited for \$385 for "stock in shop to be paid in one year." On the latter date too, Charles began to pay board at 7/6 a week, \$1.25. (This rate is a concession to family ties, for two workers who were boarded from Monday noon through Saturday noon paid \$1.34 each.)

The question of employees in this story is a vexing one, for it is important yet there is no way of finding out the facts. Whether Samuel Snow took apprentices into his shop, as would have been natural, or to what extent he hired journeymen cordwainers, we cannot tell. We know only that he did have people working for him. In 1834 two men or boys were working: one was paid \$8 and then \$9 a month, and the other apparently got his board and was paid from one to three shillings a pair for making shoes. During six months in 1835 Samuel paid a man about \$30 for various harness-making jobs. But this does not add up to the

probabilities of his hired help. Again, from 1846 to 1849 there are notations showing that two persons were being boarded by Samuel and working at least part of the time for Charles.

Samuel Snow widened his market for leather, according to a few letters we have. From 1848 to 1854 he made sales in Dover, New Hampshire, and in Danvers, Amesbury, and Boston, Massachusetts, but the record is too incomplete to allow any estimate of the amount handled. In 1848 William B. Spooner, a commission merchant in Boston, began to take consignments of wax leather and calfskin, and to sell Buenes Aires or Rio Grande dry hides to Snow. This is the first indication of departure from local supplies of hides. These transactions perhaps illustrate typical procedure. Spooner sold the leather, usually, on terms of six months. From the amount of sales he deducted transportation charges and 5 per cent for commission and guarantee. When he forwarded payment before the due date, he charged interest for the remaining period at 6 per cent of the net sales. So far as the evidence goes, all Snow's Boston sales were on a commission basis.

And what of the man Samuel Snow, who at eighteen had borne a good character in the town? The sum total of his work was a comfortable prosperity and a successful family. He married a Berwick girl and built a goodly house next to his father's in the village with a thrifty complement of fruit trees, garden, and poultry. Gradually he acquired valuable farm land and woodlots in the outskirts of the township. Of his nine children, five sons and two daughters grew to maturity. These sons were given a good education and prospered in their turn as business men of the town.

Samuel Snow did not stick too closely to his lasts and tan pits, but moved vigorously in the life of the neighborhood. He was hospitable to strangers and city relatives. With Calvinistic leanings, he was a deacon in the Baptist church. He was sufficiently independent in mind to vote for an unpopular political ticket. He was willing to take risks for his convictions, for in his house a secret hideaway protected from searchers slaves who were escaping to Canada by the underground route. As father, property-owner, and honest citizen he was salt of the earth which did not lose its savor. Craftsman and business man, he stood between two worlds of industry and lent a hand in both.

JOSEPHA M. PERRY.
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An Old-Time Novel About Business

In 1855 the German journalist, novelist, and historian, Gustav Freytag, gave to the world his popular novel *Soll und Haben* (*Debit and Credit*). The scene of the story is Eastern Germany, where Germans, Poles, and Jews lived in conflict about the year 1848.

The hero of the book is a clerk or accountant in a wholesale merchant's warehouse. The background of his apprenticeship and clerkship is set forth in detail and at length—the goods handled and the methods of storing them, the porters at work, the correspondence and bookkeeping, life in the merchant's house, the favors of the merchant's sister who presided over the household, and outside incidents such as a Polish insurrection endangering a shipment of goods. The rather shadowy figure of a merchant is the personification of hard work, fairness, and integrity. He is a tower of strength and a source of dependable action.

The hero—the accountant—is caught up in a triangle of affairs outside the counting house. He tries to help a German nobleman and his family hold on to their German estate in the face of the machinations of Jewish brokers, moneylenders, smugglers, and innkeepers. When the nobleman moves across the border to occupy an estate in Poland, the accountant does his best to inculcate habits of thrift and efficiency among a shiftless peasantry. The accountant's admiration for the nobleman's daughter could come to nothing in a society where the noble and soldier constitute a class so superior to the merchants and retailers. But the accountant could go back to the counting house and marry the merchant's sister, because there *Debit and Credit* reigned supreme.

The dynamic, creative position of business in a society of scheming or inefficient persons is made clear. Dependability, such as is found in accurate accounts, is shown as an anchorage which society sorely needs. The service of buying and selling goods, which are exactly accounted for, is enunciated but not urged. The atmosphere is that of fluctuating prices and changing market conditions. America and the south seas are factors in the situation, but they are far away.

From our present point of view we would find this novel moving slowly and also weak in character delineation. We would find the dialogue formal and stilted. Anyone who uses the English translation will often find that the English words reflect the painful use of an abridged dictionary.

But here is a picture of Germany 90 years ago, in which the Prussian is dominating Germany and the Germans encroaching on the Poles. The Jews are trying to gain wealth by fair means and foul. All in all, the seeds were being sown for the Second World War as it broke out in 1939, with disaster for Jews and Poles.

This novel, one of the greatest of nineteenth-century Germany, enthrones the business man at the time when mercantile capitalism was giving way to industrial capitalism. The details of business do not appear dull nor the pursuit of profits sordid. These are in marked contrast to the less useful and less effective activities of soldiers, nobles, Polish peasants, and Jewish plotters. The superiority of all things German is made to stand out on many pages.

N. S. B. GRAS,
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The Society Presents a History of the Waltham Watch Company

Timing a Century; History of the Waltham Watch Company,
by C. W. MOORE, D.C.S.

The Waltham history, edited by Professor N. S. B. Gras, is eleventh in the Harvard Studies in Business History series. It is a story which has required a deft and delicate touch in the recording, and the reader will early come to appreciate Dr. Moore's handling of complicated factual material, as well as to respect the conclusions he has pointed up. Dr. Moore's history of the Waltham Watch Company is a study of business policy—a detailed analysis of the business methods of the top men at Waltham. Were there such a thing as a "normal" American business, the chapters of its history would fall neatly and evenly into order—management, labor, plant and technological processes, finance, distribution, and

external influences. Happy the historian to whose lot such a tidy assignment falls! It seems reasonably certain, however, that no recorder will ever face a perfect balance of the forces involved in producing and selling merchandise. Emphasis varies from company to company, and from time to time within a company. The historian will do well to pass over the obvious in favor of the unique and the particularly important. Many fail to do so, but Dr. Moore has succeeded. The reader who, like the reviewer, turns to page 1 of *Timing a Century* possessing only the vaguest notions of what makes a watch tick and no notion at all about the machines which produce watches, will find, when he has finished the book, that his technical ignorance remains relatively undisturbed. Dr. Moore has refrained from explaining the difference between a hair spring and an escapement, yet he has gone to the heart of the history in his detailed treatment of managerial action. The crucial events in Waltham's history transpired in head offices and across the tables of the board of directors, not at the work benches or "on the road." In the words of the author, "This history has been written primarily for the business executive and the student, both of whom demand the greatest amount of useful information in the least possible space. For this reason the text has been devoted to those aspects of policy and action that are the immediate concern of the chief executive."

The Waltham Watch Company, under the guidance of a succession of colorful men, has known prosperity, poverty, labor strife, competitive bitterness, and a complexity of ownership-management relations. The company progressed through the tender founding stages into a hearty period of industrial capitalism, with the factory men and factory problems of chief importance to survival. The growth in competition and an aging management at length precipitated a crisis which brought outside financial institutions to the rescue of harassed stockholders. Retrenchment followed, interrupted briefly but sharply by labor strife. Loose ends were slowly gathered together, and the firm was once again stabilized on a profitable level of operations. These bare outlines of growth, decay, and rejuvenation indicate that the Waltham Watch Company has followed the general pattern of American business, but the history of this company has been neither usual nor drab.

Aaron Dennison, who founded the company in 1850, was not a

usual or a drab man. His career bordered on the spectacular—not spectacular successes but spectacular endeavors. Dr. Moore has given us a fine picture of the man. Dennison was a practical visionary. It is related that on a company outing to the Waltham meadows (the plant at this time being located in Roxbury) Dennison mounted a stone wall, waved his long arms toward an adjoining field, and exclaimed to his companions, "Somewhere about there, gentlemen, there is going to be a watch factory." Dramatic utterances were the order of the day, yet the incident is typical of him. Dennison infected others with his mighty enthusiasms and founded many enterprises with other people's capital. His watchmaking venture was shrewdly conceived and, if the economic times were not completely propitious, at least the industrial trends of the day provided hopeful precedent. Machine production of interchangeable parts had been attempted successfully in several fields. The Springfield Arsenal was teaching Massachusetts industry how it was done, and the clockmakers and gunsmiths of Connecticut were making active progress in mechanization of industrial processes. Why not produce watches by machinery? Dennison set about to do so, with supreme confidence and, unfortunately for the pocketbooks of his associates, with magnificent disdain for the details of financial management. Dennison founded the "American System" of watch manufacture, and his firm made an assignment in bankruptcy seven years later. The man was a founding genius, not a factory manager. His ambitions went beyond the times, the means, and the grasp of his associates.

The Waltham plant was purchased at auction by R. E. Robbins, a highly successful New York merchant. Robbins took the embryonic business structure and developed it into a balanced manufacturing enterprise by the application of conservative financial judgment and solid mercantile principles of management. Under Robbins the Waltham Watch Company prospered, but Dennison, as factory manager, chafed under the restraint of conservative policy and in 1862 severed his connection with the company. Luck, sporadic prosperity in the business world, limited competition, and, always, the strong guidance of Robbins built the concern into a profitable venture. In 1865, one of the most remarkable years in American business, sales exceeded \$800,000 and earnings approximated 58 per cent of sales!

This was the golden age for Waltham, but prosperity bred its own destruction. Waltham developed the men and the skills which founded an industry as well as a company. Strong domestic competition had developed by 1875, and in the following two decades a bitter fight for markets developed. The year 1883 was a turning point. Up to then production had been the great problem—then came the struggle for control of prices and markets. The new emphasis called for a new man, and Ezra Fitch was appointed general manager. Fitch was a salesman—his task was to subordinate the exigencies of the factory and of production to the demands of the market.

Three remedies were devised to meet the press of competition, the declining secular trend of business, and the attendant lessening of profits. The first of these remedies was cutting prices and reducing wages. Lower price lines were introduced and emphasized. Such measures were particularly popular as short-term emergency devices, first employed in the depths of depression but later becoming a chronic part of the industrial picture. This remedy was not then, nor has it proved since to be, a lasting success. Because all competitors were cutting prices it is doubtful if even temporary advantage was realized by any one company. It was in this scramble for customers that the art of merchandising was conceived. If price-cutting could not achieve advantage for one firm over others, perhaps advertising might do so. Waltham and some of its competitors improved the product lines and in every way sought to please and impress the customer. This was the second remedy. Because good merchandising and extensive advertising, like price-cutting, were resorted to by all, no important individual advantage was gained. The customer, in nice accordance with classic economic theory, reaped the benefit. The third remedy was industry-wide organization. In 1885 the National Association of Jobbers in American Watches was formed. As in contemporary organizations in other industries, however, divergent interests within the Association and political attacks from without limited its effectiveness. Certainly no permanent solution to the problem of market saturation was effected.

Commencing in 1898, and perhaps before, the influence of R. E. Robbins declined, and his death in 1902 precipitated a struggle for control of the company. The Robbins family interests, representing conservative practice, opposed Ezra Fitch

the expansionist. Neither party gained a clear-cut victory. The stockholders compromised and divided control between Royal Robbins, son of R. E. Robbins, and Fitch. Responsibilities were not defined, and control of company policy became dependent largely upon precedent, intrigue, and behind-the-scenes negotiations among stockholders and directors.

The period from 1910 to 1921 was one of decaying management and demoralization in the factory. In 1910 small stockholders became obstreperous and forced another crisis which resulted in the withdrawal of the Robbins interests and gave the minority stockholders representation on the board of directors. A familiar New England pattern was established in the directorate: five of the eleven directors and the attorney presiding over the board were Harvard men; five of them were directors of Boston banks. These represented the minority stockholders, but the reorganization did not stop here. New leadership was sought, and the qualities thought to be ideal are worth recording in Dr. Moore's own words:

The ideal trustee in Boston in 1910 was a lawyer by training, preferably a graduate of the Harvard Law School. His ancestors had been prosperous merchants or professional men in Boston, or its vicinity, for several generations. His office was on State Street; his residence was along the shore between Cohasset and Marblehead. He had at least one conspicuous connection, either in banking or in industry. If he had held public office, but was not a professional politician, so much the better. In brief, his name carried a connotation of stability and security, enduring through generations of risk and change.

The new leader was Augustus P. Loring and he measured up to the qualifications set forth above. The revolution was effected; the disintegration which had commenced with the death of R. E. Robbins in 1902 was arrested by the 1910 changes—or so it was confidently felt by the directors. Loring proceeded to overhaul accounting and advertising methods, instituted economy measures in the factory and offices, and diversified the output.

Loring made progress, but the adjustments required at Waltham were complex beyond ordinary understanding. The Waltham pattern was characteristic of much of American industry. Competition had multiplied and hard years in the late 1800's had brought declining profits. Even more important, the factory men who invented and built had aged, and their productive talents no longer

sufficed. Business had grown beyond their capacity when the struggle for survival was no longer carried on at the work bench. The "Old Guard" faltered, and surviving managements looked for leadership from outside the factory. Financial institutions supplied that leadership in many enterprises. To step in thus was a matter of sound business judgment—investments must be protected. Some held that bankers were bankers and manufacturers were manufacturers. Actually, however, bankers were managers—of men as well as of capital—and what industry needed was management. The financial capitalist supplied to impoverished companies not only the financial guidance so sorely needed, but often a versatile, sound, and progressive leadership in all phases of business. His greatest weakness was in production, and this was natural. His greatest difficulty often was in coping with the remnants of the old management.

Loring worked no miracles in production and he stumbled when he came to grips with the vestiges of the Fitch administration. His objectives were sound—they had worked out well when applied to other reorganizations. The forces arrayed against Loring, however, were too formidable. Policy was set by the directors, but the execution of policy remained the function of the old management. That management showed little capacity, or even desire, for radical maneuvers. The revolution proved, in the end, to have provoked rather fewer lasting changes than a good revolution should provoke. Efficiency and morale continued to decline until (in 1921) the First National Bank of Boston, in conjunction with other creditor banks, took over control of the company. The bankers, having decided that the Waltham executives were incompetent and that drastic action was needed to untangle the mass of error and confusion, selected Gifford K. Simonds as chief executive.

Simonds was faced with a four-way battle; bankers versus minority stockholders versus majority stockholders versus employees. A word should be interjected about this last and latest group of contestants. Supervision in the factory had become increasingly lax. An autocracy of foremen had grown up. Departments operated virtually independently of each other, and even, it is to be feared, independently of the expressed wishes of the management. Personnel administration was not clearly recognized by the men in control of Waltham as an aspect of business administration.

Matters in the factory had not always been thus. Throughout the Robbins administration a modestly generous paternal line appears to have been taken, and the factory community was a closely integrated social as well as industrial unit. After 1902 the increasing confusion in the executive ranks spread downward through the entire organization, and infected workmen, foremen, and minor executives. Reorganizations in 1902 and 1910 did not reach deeply into Waltham's factory troubles, and it may be that in the periodic retrenchments dictated by financial considerations the employees sacrificed more than did the stockholders. Certainly there was a growing restiveness in the factory.

Simonds found, like Loring before him, that no satisfactory solution to the company's problems could be reached while ownership was distributed among powerful groups having divergent interests. Adopting a liberal personnel policy, encouraging initiative among employees, and profoundly concerning himself with small details of the business was not enough. In 1923 the creditor banks succeeded in inducing Kidder Peabody & Company to underwrite another reorganization, and Simonds was succeeded by F. C. Dumaine.

Dumaine initially acquired only a small minority interest in the company, but he immediately became the undisputed leader of Waltham. The backing of the banks, coupled with Dumaine's own vigorous personality and respected abilities, assured him absolute power. Now, with strong authority centralized in one man for the first time since the death of Robbins, a genuine reorganization could be effected. Dumaine took the following positive steps:

1. Drastic rearrangement of executive personnel.
2. Elimination of excess personnel.
3. Adjustment of the factory line to market demands.
4. Reduction in Sales Department expenditures.
5. A general effort to remove uncertainties, retain valuable personnel, and promote respect and confidence in the management.

Initial efforts were met with what, for the new management, must have been a discouraging blow. In August, 1924, a wage cut was announced. There followed a five-months-long strike of unusual bitterness, accompanied with rioting, misunderstanding, and a stubborn disinclination to talk matters over. The causes of the strike were multiple, reaching deep into the history of the

company and the industry. One of the more subtle explanations is that the strike was the death flurry of transition from the craft to the industry—a transition which made workmen out of watchmakers. There were other explanations less subtle, however.

Dumaine settled the strike on company terms, and went on to establish strength, stability, profits, and increasing satisfaction. The depression of 1929 struck hard and closed the plant for a short time, but the ordeal was survived and in 1944 Dumaine left to his successor, Ira Guilden, a company which bore faint resemblance to the banker's dilemma of 1923.

Looking back over the history of the Waltham Watch Company we see four strong figures. In such strength lies the success of American manufacturing enterprise. Dennison, the founder and inventor, required the solid, conservative organizing talents of Robbins. The two men established the "American System" of watchmaking, but a salesman was needed to sell the watches. Fitch was market-conscious and took the company through a period of difficult competition, but in his preoccupation with markets neglected almost all other phases of the business. Dumaine supplied financial guidance, and built a strong and profitable organization from wreckage. Now the emphasis returns to marketing, probably with a reliance upon advertising far beyond the experience of the firm, and also to personnel management and public aspects of business. It seems that one of the very new aspects of Waltham's history is to be the management of sales from New York City. Waltham watches, it is expected, will compete keenly with imported Swiss movements.

GEORGE S. GIBB,
Lieutenant, U. S. N. R.

Selections from de Tocqueville's *Democracy in America*:

A FRENCHMAN ASSAYS THE SPIRIT BEHIND
AMERICAN BUSINESS EXPANSION IN THE 1830's

What kind of a people were the Americans who so energetically drove forward American business expansion in the nineteenth century? We find something of an answer in little vignettes scat-

tered through a book of observations on travel in the United States in the early 1830's, which has become a classic description of American life and people. Its author, Alexis de Tocqueville, was not particularly concerned with business; he was interested chiefly in the American experiment in democracy. Yet his observations are extremely suggestive. He gives a glimpse of the general *esprit* of the American, of his motives or objectives, of his restlessness and his energy, of the generally fluid state of American society, and of the vastness of American opportunity. De Tocqueville's observations are not objective descriptions; they are the impressions and interpretations of a philosophical observer and student of society who was familiar with England as well as Western Europe. From the perspective of today, they appear remarkably keen; indeed they were in large measure prophetic of what came to pass. In speaking of the American people he says that "boldness of enterprise is the foremost cause of its rapid progress, its strength, and its greatness."

The selections below are from the translation by Henry Reeve.¹

* * * * *

I accost an American sailor, and inquire why the ships of his country are built so as to last but for a short time; he answers without hesitation, that the art of navigation is every day making such rapid progress, that the finest vessel would become almost useless if it lasted beyond a few years. In these words, which fell accidentally, and on a particular subject, from an uninstructed man, I recognize the general and systematic idea upon which a great people direct all their concerns.

In America, I saw the freest and most enlightened men placed in the happiest circumstances which the world affords: it seemed to me as if a cloud habitually hung upon their brow, and I thought them serious, and almost sad, even in their pleasures. . . . It is strange to see with what feverish ardor the Americans pursue their own welfare; and to watch the vague dread that constantly torments them, lest they should not have chosen the shortest path which may lead to it.

A native of the United States clings to this world's goods as if he were certain never to die; and he is so hasty in grasping at all within his reach, that one would suppose he was constantly afraid of not living long enough to enjoy them. He clutches everything,

¹From volume ii of the 4th edition, published in Cambridge in 1864, pp. 39, 163, 169, 191, 193, 289, and 297.

he holds nothing fast, but soon loosens his grasp to pursue fresh gratifications.

In the United States, a man builds a house in which to spend his old age, and he sells it before the roof is on; he plants a garden, and lets it just as the trees are coming into bearing; he brings a field into tillage, and leaves other men to gather the crops; he embraces a profession, and gives it up; he settles in a place, which he soon afterwards leaves to carry his changeable longings elsewhere. If his private affairs leave him any leisure, he instantly plunges into the vortex of politics; and if, at the end of a year of unremitting labor, he finds he has a few days' vacation, his eager curiosity whirls him over the vast extent of the United States, and he will travel fifteen hundred miles in a few days, to shake off his happiness. Death at length overtakes him, but it is before he is weary of his bootless chase of that complete felicity which forever escapes him.

At first sight, there is something surprising in this strange unrest of so many happy men, restless in the midst of abundance. The spectacle itself is, however, as old as the world; the novelty is, to see a whole people furnish an exemplification of it.

Their taste for physical gratifications must be regarded as the original source of that secret inquietude which the actions of the Americans betray, and of that inconstancy of which they daily afford fresh examples. He who has set his heart exclusively upon the pursuit of worldly welfare is always in a hurry, for he has but a limited time at his disposal to reach, to grasp, and to enjoy it. The recollection of the shortness of life is a constant spur to him. Besides the good things which he possesses, he every instant fancies a thousand others, which death will prevent him from trying if he does not try them soon. This thought fills him with anxiety, fear, and regret, and keeps his mind in ceaseless trepidation, which leads him perpetually to change his plans and his abode.

If, in addition to the taste for physical well-being, a social condition be superadded, in which neither laws nor customs retain any person in his place, there is a great additional stimulant to this restlessness of temper. Men will then be seen continually to change their track, for fear of missing the shortest cut to happiness.

It may readily be conceived, that, if men, passionately bent upon physical gratifications, desire eagerly, they are also easily discouraged: as their ultimate object is to enjoy, the means to

reach that object must be prompt and easy, or the trouble of acquiring the gratification would be greater than the gratification itself. Their prevailing frame of mind, then, is at once ardent and relaxed, violent and enervated. Death is often less dreaded by them than perseverance in continuous efforts to one end.

The equality of conditions leads by a still straighter road to several of the effects which I have here described. When all the privileges of birth and fortune are abolished, when all professions are accessible to all, and a man's own energies may place him at the top of any one of them, an easy and unbounded career seems open to his ambition, and he will readily persuade himself that he is born to no vulgar destinies. But this is an erroneous notion, which is corrected by daily experience. The same equality which allows every citizen to conceive these lofty hopes, renders all the citizens less able to realize them: it circumscribes their powers on every side, whilst it gives freer scope to their desires. Not only are they themselves powerless, but they are met at every step by immense obstacles, which they did not at first perceive. They have swept away the privileges of some of their fellow-creatures which stood in their way, but they have opened the door to universal competition; the barrier has changed its shape rather than its position. When men are nearly alike, and all follow the same track, it is very difficult for any one individual to walk quick and cleave a way through the dense throng which surrounds and presses him. This constant strife between the inclinations springing from the equality of condition and the means it supplies to satisfy them, harasses and wearies the mind.

There is, indeed, a most dangerous passage in the history of a democratic people. When the taste for physical gratifications amongst them has grown more rapidly than their education and their experience of free institutions, the time will come when men are carried away, and lose all self-restraint, at the sight of the new possessions they are about to obtain. In their intense and exclusive anxiety to make a fortune, they lose sight of the close connection which exists between the private fortune of each and the prosperity of all. It is not necessary to do violence to such a people in order to strip them of the rights they enjoy; they themselves willingly loosen their hold. The discharge of political duties appears to them to be a troublesome impediment, which diverts them from their occupations and business. If they be required to

elect representatives, to support the government by personal service, to meet on public business, they think they have no time,—they cannot waste their precious hours in useless engagements: such idle amusements are unsuited to serious men, who are engaged with the more important interests of life. These people think they are following the principle of self-interest, but the idea they entertain of that principle is a very rude one; and the better to look after what they call their own business, they neglect their chief business, which is to remain their own masters.

In the United States, the greatest undertakings and speculations are executed without difficulty, because the whole population are engaged in productive industry, and because the poorest as well as the most opulent members of the commonwealth are ready to combine their efforts for these purposes. The consequence is, that a stranger is constantly amazed by the immense public works executed by a nation which contains, so to speak, no rich men. The Americans arrived but as yesterday on the territory which they inhabit, and they have already changed the whole order of nature for their own advantage. They have joined the Hudson to the Mississippi, and made the Atlantic Ocean communicate with the Gulf of Mexico, across a continent of more than five hundred leagues in extent which separates the two seas. The longest railroads which have been constructed, up to the present time, are in America.

But what most astonishes me in the United States is not so much the marvellous grandeur of some undertakings, as the innumerable multitude of small ones. Almost all the farmers of the United States combine some trade with agriculture; most of them make agriculture itself a trade. It seldom happens that an American farmer settles for good upon the land which he occupies: especially in the districts of the Far West, he brings land into tillage in order to sell it again, and not to farm it: he builds a farm-house on the speculation, that, as the state of the country will soon be changed by the increase of population, a good price may be obtained for it.

Every year, a swarm of people from the North arrive in the Southern States, and settle in the parts where the cotton-plant and the sugar-cane grow. These men cultivate the soil in order to make it produce in a few years enough to enrich them; and they already look forward to the time when they may return home

to enjoy the competency thus acquired. Thus the Americans carry their business-like qualities into agriculture; and their trading passions are displayed in that, as in their other pursuits.

I have shown how democracy favors the growth of manufactures, and increases without limit the numbers of the manufacturing classes: we shall now see by what side-road manufacturers may possibly, in their turn, bring men back to aristocracy.

It is acknowledged, that, when a workman is engaged every day upon the same details, the whole commodity is produced with greater ease, promptitude, and economy. It is likewise acknowledged, that the cost of production of manufactured goods is diminished by the extent of the establishment in which they are made, and by the amount of capital employed or of credit. These truths had long been imperfectly discerned, but in our time they have been demonstrated. They have been already applied to many very important kinds of manufactures, and the humblest will gradually be governed by them. I know of nothing in politics which deserves to fix the attention of the legislator more closely than these two new axioms of the science of manufactures.

When a workman is unceasingly and exclusively engaged in the fabrication of one thing, he ultimately does his work with singular dexterity; but, at the same time, he loses the general faculty of applying his mind to the direction of the work. He every day becomes more adroit and less industrious; so that it may be said of him, that, in proportion as the workman improves, the man is degraded. What can be expected of a man who has spent twenty years of his life in making heads for pins? and to what can that mighty human intelligence, which has so often stirred the world, be applied in him, except it be to investigate the best method of making pins' heads? When a workman has spent a considerable portion of his existence in this manner, his thoughts are forever set upon the object of his daily toil; his body has contracted certain fixed habits, which it can never shake off: in a word, he no longer belongs to himself, but to the calling which he has chosen. It is in vain that laws and manners have been at pains to level all the barriers round such a man, and to open to him on every side a thousand different paths to fortune; a theory of manufactures more powerful than manners and laws binds him to a craft, and frequently to a spot, which he cannot leave: it assigns to him a certain place in society, beyond which he cannot

go: in the midst of universal movement, it has rendered him stationary.

In proportion as the principle of the division of labor is more extensively applied, the workman becomes more weak, more narrow-minded, and more dependent. The art advances, the artisan recedes. On the other hand, in proportion as it becomes more manifest that the productions of manufactures are by so much the cheaper and better as the manufacture is larger, and the amount of capital employed more considerable, wealthy and educated men come forward to embark in manufactures, which were heretofore abandoned to poor or ignorant handicraftsmen. The magnitude of the efforts required, and the importance of the results to be obtained, attract them. Thus, at the very time at which the science of manufactures lowers the class of workmen, it raises the class of masters.

While the workman concentrates his faculties more and more upon the study of a single detail, the master surveys an extensive whole, and the mind of the latter is enlarged in proportion as that of the former is narrowed. In a short time, the one will require nothing but physical strength without intelligence; the other stands in need of science, and almost of genius, to insure success. This man resembles more and more the administrator of a vast empire,—that man, a brute.

The master and the workman have then here no similarity, and their differences increase every day. They are only connected as the two rings at the extremities of a long chain. Each of them fills the station which is made for him, and which he does not leave: the one is continually, closely, and necessarily dependent upon the other, and seems as much born to obey, as that other is to command. What is this but aristocracy?

As the conditions of men constituting the nation become more and more equal, the demand for manufactured commodities becomes more general and extensive; and the cheapness which places these objects within the reach of slender fortunes becomes a great element of success. Hence, there are every day more men of great opulence and education who devote their wealth and knowledge to manufactures; and who seek, by opening large establishments, and by a strict division of labor, to meet the fresh demands which are made on all sides. Thus, in proportion as the mass of the nation turns to democracy, that particular

class which is engaged in manufactures becomes more aristocratic. Men grow more alike in the one, more different in the other; and inequality increases in the less numerous class, in the same ratio in which it decreases in the community. Hence it would appear, on searching to the bottom, that aristocracy should naturally spring out of the bosom of democracy.

But this kind of aristocracy by no means resembles those kinds which preceded it. It will be observed at once, that, as it applies exclusively to manufactures and to some manufacturing callings, it is a monstrous exception in the general aspect of society. The small aristocratic societies, which are formed by some manufacturers in the midst of the immense democracy of our age, contain, like the great aristocratic societies of former ages, some men who are very opulent, and a multitude who are wretchedly poor. The poor have few means of escaping from their condition and becoming rich; but the rich are constantly becoming poor, or they give up business when they have realized a fortune. Thus the elements of which the class of the poor is composed are fixed; but the elements of which the class of the rich is composed are not so. To say the truth, though there are rich men, the class of rich men does not exist; for these rich individuals have no feelings or purposes in common, no mutual traditions or mutual hopes; there are individuals, therefore, but no definite class.

Not only are the rich not compactly united amongst themselves, but there is no real bond between them and the poor. Their relative position is not a permanent one; they are constantly drawn together or separated by their interests. The workman is generally dependent on the master, but not on any particular master: these two men meet in the factory, but know not each other elsewhere; and whilst they come into contact on one point, they stand very wide apart on all others. The manufacturer asks nothing of the workman but his labor; the workman expects nothing from him but his wages. The one contracts no obligation to protect, nor the other to defend; and they are not permanently connected either by habit or duty. The aristocracy created by business rarely settles in the midst of the manufacturing population which it directs: the object is not to govern that population, but to use it. An aristocracy thus constituted can have no great hold upon those whom it employs; and, even if it succeed in

retaining them at one moment, they escape the next: it knows not how to will, and it cannot act.

The territorial aristocracy of former ages was either bound by law, or thought itself bound by usage, to come to the relief of its serving-men, and to succor their distresses. But the manufacturing aristocracy of our age first impoverishes and debases the men who serve it, and then abandons them to be supported by the charity of the public. This is a natural consequence of what has been said before. Between the workman and the master there are frequent relations, but no real association.

I am of opinion, upon the whole, that the manufacturing aristocracy which is growing up under our eyes is one of the harshest which ever existed in the world; but, at the same time, it is one of the most confined and least dangerous. Nevertheless, the friends of democracy should keep their eyes anxiously fixed in this direction; for if ever a permanent inequality of conditions and aristocracy again penetrate into the world, it may be predicted that this is the gate by which they will enter.

In the United States, fortunes are lost and regained without difficulty; the country is boundless, and its resources inexhaustible. The people have all the wants and cravings of a growing creature; and, whatever be their efforts, they are always surrounded by more than they can appropriate. It is not the ruin of a few individuals, which may be soon repaired, but the inactivity and sloth of the community at large, which would be fatal to such a people. Boldness of enterprise is the foremost cause of its rapid progress, its strength, and its greatness. Commercial business is there like a vast lottery, by which a small number of men continually lose, but the state is always a gainer; such a people ought therefore to encourage and do honor to boldness in commercial speculations. But any bold speculation risks the fortune of the speculator and of all those who put their trust in him. The Americans, who make a virtue of commercial temerity, have no right in any case to brand with disgrace those who practise it. Hence arises the strange indulgence which is shown to bankrupts in the United States; their honor does not suffer by such an accident. In this respect the Americans differ, not only from the nations of Europe, but from all the commercial nations of our time; and accordingly they resemble none of them in their position or their wants.

The first thing which strikes a traveller in the United States is the innumerable multitude of those who seek to emerge from their original condition; and the second is the rarity of lofty ambition to be observed in the midst of the universally ambitious stir of society. No Americans are devoid of a yearning desire to rise; but hardly any appear to entertain hopes of great magnitude, or to pursue very lofty aims. All are constantly seeking to acquire property, power, and reputation; few contemplate these things upon a great scale; and this is the more surprising, as nothing is to be discerned in the manners or laws of America to limit desire, or to prevent it from spreading its impulses in every direction. It seems difficult to attribute this singular state of things to the equality of social condition; for as soon as that same equality was established in France, the flight of ambition became unbounded. Nevertheless, I think that we may find the principal cause of this fact in the social condition and democratic manners of the Americans.

Hiram J. Halle—A Memorial

We have learned with regret of the death, on May 29 of last year, of Hiram J. Halle, president of Universal Oil Products Company of New York City, who was a member of the Society for the last fifteen years of his life.

Born in Cleveland in 1867, Mr. Halle entered industry at an early age. Soon thereafter he developed the Fisher Book Typewriter, which became a component of the Elliott-Fisher Bookkeeping Machine. His inventions included also the system of looseleaf accounting and the device for the cross-totaling of adding machines. While in charge of a small company, owned by J. Ogden Armour of Chicago, he was instrumental in developing a process of "cracking" petroleum to produce gasoline. For thirty years prior to his death he was a significant figure in the oil industry.

Mr. Halle's interest in education was exemplified by his association with the Graduate Faculty of Political and Social Science, often called the "University in Exile." He helped to

establish the "university" in the New School for Social Research and became a member of the permanent board of trustees. In fact, its foundation was made possible through his underwriting of the cost of \$60,000 a year for two years, defraying all expenses beyond the total contributed by many others. The diversity of Mr. Halle's interests is shown by the fact that he was a member of the Lawyers Club of New York, the American Petroleum Institute, and the Society of Automotive Engineers.

Secretary's Column

In addition to the exchanges which have already been listed, the Secretary acknowledges with gratitude the following:

From Tanners Council of America, New York City: *Trade Survey Bureau*.
From William and Mary College, Williamsburg, Virginia: *Quarterly*.
From Worcester Historical Society, Worcester, Mass.: *Bulletin*.
From State Department of Wyoming, Cheyenne: *Wyoming Annals*.

FOREIGN

From Manufacturers Publishing Co., Ltd., Sydney, Australia: *The Australasian Manufacturer* (weekly).
From Royal Bank of Canada, Montreal: *Monthly Report*.
From Archivo General del Gobierno, Guatemala, Central America: *Boletin del Archivo General del Gobierno*.
From Banco Central de Chile, Santiago: *Boletin Mensual*.
From Nottingham Chamber of Commerce, Inc., Nottingham, England: *Journal* (monthly).
From Royal Economic Society, London, England: *The Economic Journal*.
From Institute of Bankers in Ireland, Dublin: *Journal* (quarterly).
From General Comision de Coordinacion, México, D. F., México: *Planificacion Economica*.
From Departamento Autonomo de Prensa y Publicidad, México, D. F., México: *Revista de Estadistica*.